

Southeast Michigan Court Administration Association (SEMCAA)
Michigan Court Administration Association (MCAA)

To: Chairman John Walsh and the Members of the Michigan House Judiciary Committee

From: Dave Walsh, President, Southeast Michigan Court Administration Association

Date: April, 19, 2012

Re: Opposition to SB 269, Small Claims Jurisdiction Increase

Thank you for the opportunity to present on behalf of SEMCAA and MCAA with regard to our opposition to increasing the small claims jurisdictional limit. We oppose SB 269 for the following reasons:

- **Further increase in the small claims jurisdictional limit will jeopardize the fundamental principles for which the Michigan small claims system exists.** The small claims process allows simple disputes to be resolved in an expedited manner. In order for this to be possible, the litigants must sacrifice many of the basic tenets of our legal system, primarily the rights to counsel, discovery and appeal. Common sense dictates that as the amount in dispute rises, the complexity of the case increases. It's unlikely that any representative would want a legislative system where the first time they heard the details of a budget bill was on the House floor as a vote was being required. This is comparable to eliminating the discovery process in a dispute in court. Just as the concerns of a legislator would escalate as the amount of the budget bill increased, the potential for injustice increases as the amount in dispute escalates in a court process without a discovery system.
- **Increasing the small claims jurisdictional limit will shift financial burden from litigants to tax payers.** Simply put, small claims case processing costs more for courts than general civil case processing. There are two primary reasons: 1) In general civil actions, service of process on the defendant(s) is the responsibility of the plaintiff. In small claims actions, that burden is shifted to the clerk of the court. This includes preparing the certified mailer, monitoring service time, checking service status with the process server, and following up with the plaintiff if service is unsuccessful, including setting a new hearing date and processing new paper work and copies; 2) Unrepresented parties require more time and effort on the part of the court with regard to answering questions, and explaining terminology, procedures, and collections options. These issues will likely only increase if the jurisdictional limit is raised, because as the amount in dispute rises, so too do the emotions involved on all sides.

There are many other concerns related to this proposed legislation, most of which have been touched on by others in opposition, including the Michigan District Judges Association and the Michigan Creditors Bar Association. We believe the proposed legislation, if enacted, will diminish the system of justice in the State of Michigan at a cost to the tax payers of the State. In our view, there are no greater reasons to be opposed to a piece of legislation than those.

Respectfully submitted for your consideration,



Dave Walsh, President, Southeast Michigan Court Administration Association